

This report has been prepared with due consideration of these factors in mind.

III. FINDINGS

The Independent Counsel has concluded his investigation and determined that no indictments should be brought in this matter. Consistent with Congress's directives and the statutory report requirement, the Independent Counsel deems it in the "public interest" to provide the following, limited analysis and explanation of the Independent Counsel's exercise of his prosecutorial discretion in reaching this conclusion.

The Independent Counsel concluded that neither Anthony Marceca nor any senior White House official, or First Lady Hillary Rodham Clinton, engaged in criminal conduct to obtain through fraudulent means derogatory information about former White House staff. The possibility that such officials might have engaged in such criminal conduct was the principal investigative issue that resulted in the appointment of an independent counsel with respect to this matter.

Specifically, the Independent Counsel also concluded that Mr. Marceca did not knowingly make false statements to the FBI when he requested confidential background reports of former White House staff. This conclusion further corroborated the findings of this investigation -- that Mr. Marceca's alleged criminal conduct did not reflect a conspiracy within the White House.